

## **BOARD OF COMMUNITY HEALTH**

October 13, 2005

The Board of Community Health held its regularly scheduled meeting in the Floyd Room, 20<sup>th</sup> Floor, West Tower, Twin Towers Building, 200 Piedmont Avenue, Atlanta, Georgia. Board members attending were Jeff Anderson, Chairman; Chris Stroud, M.D. (Secretary); Inman English, M.D.; Mary Covington; Ross Mason; Kim Gay, and Mark Oshnock. Commissioner Tim Burgess was also present. (A List of Attendees and Agenda are attached hereto and made official parts of these Minutes as Attachments # 1 and # 2).

Mr. Anderson called the meeting to order at 12:06 p.m. The Minutes of the September 8 meeting were UNANIMOUSLY APPROVED AND ADOPTED.

Mr. Anderson called on Commissioner Burgess to make his report. Commissioner Burgess said the State Health Benefit Plan moved to a new plan year that is based on the calendar year. The open enrollment period for the new plan will be October 17-November 8, 2005. In addition, the Department has now moved to the new PPO Vendor--United Health Care. He said UHC is busily completing its network and agreements with providers to have the network in place by January 1. Commissioner Burgess reported that the disease management proposal that was a part of the FY 06 budget proposal was awarded but received a number of protests. The Department received notification from the Department of Administrative Services that it had ruled in DCH's favor on the last protest. Now the Department is clear to proceed with the contracts with the two vendors who were awarded the contracts. This will cause the Department to be at least a month or more behind. The Department will have to modify its projections for the budget and will negotiate those changes with the Office of Planning and Budget.

Mr. Anderson asked Mark Oshnock, Chairman of the Audit Committee, to give the Committee's report. Mr. Oshnock brought to the Board's attention the Audit Committee charter. He asked the Board's approval of the charter. The charter was UNANIMOUSLY APPROVED AND ADOPTED.

Mr. Anderson called on Dr. Chris Stroud, Chairman of the Care Management Committee, to make the Committee's report. Dr. Stroud said the committee received a detailed update from Kathy Driggers, Chief, Managed Care and Quality. Dr. Stroud reported that the rollout date for the Care Management Organizations has been moved to April 1, 2006 for the Atlanta and Central regions. The other rollout dates will not be changed; the North and East regions will begin July 1, and the Southwest and Southeast regions will begin December 1. On December 1, the enrollment broker, Maximus, will begin mailings to members; they will begin a scaled down version of their call center on November 1 and will begin their formal outreach on December 1. In March 2006 the first capitated payments to the Atlanta and Central CMOs will begin. Two important changes the Department made in respect to its contractual relation between the state and the CMOs are closed enrollment has been deleted as has some of the details with respect to waiting time requirements. The Department and the CMOs will be carefully monitoring access and wait time issues and similar benchmarks.

Mr. Anderson called on Neal Childers, General Counsel, to update the Board on the Atlantic Cardiovascular Patient Outcomes Research Team Trial (C-PORT). Mr. Childers gave a timeline from May 2004, when Dr. Thomas Aversano of the Atlantic C-PORT first introduced the Trial concept to the Health Strategies Council until present. In April 2005, Dr. Aversano made a presentation to the Board of Community Health and outlined the goals and objectives of the trial and the reasons for the trial's request for Georgia participation. The Board voted to adopt the amendments to the CON rules to permit Georgia participation in the Atlantic C-PORT Trial. Under the rules, the hospitals that desired to participate were required to request permission by June 30, 2005. Thirty-nine hospitals in the State of Georgia were eligible to make that request; twenty-five submitted requests for participation. One of the provisions in the rules was that the Department could not consider a hospital unless it was first approved by the Trial. The Trial declined to accept eight of the hospital applicants. Seventeen hospital applicants were accepted by the Trial. Under the terms of the regulations that the Board passed, a maximum of ten hospitals could participate. The Department formed a Site Selection Advisory Committee composed of prominent cardiologists from outside of Georgia to make recommendations to the Department on the selection of hospitals accepted by the trial. The Site Selection Advisory Committee recommended against the selection of three hospitals and deferred consideration of one hospital due to unique circumstances. In October 2005, the Department selected ten hospitals to participate in the Trial. They are Fairview Park Hospital, Dublin; Hamilton

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Medical Center, Dalton; John D. Archbold Memorial Hospital, Thomasville; Southeast Georgia Regional Medical Center, Brunswick; Southern Regional Medical Center, Riverdale; Spalding Regional Medical Center, Griffin; Tanner Medical Center, Carrolton; Tift Regional Medical Center, Tifton; Wellstar Cobb Hospital, Austell; and West Georgia Medical Center, LaGrange. Four hospitals were not selected but may be selected if needed to replace a selected hospital. The next steps in the Trial will be the hospitals will contract with Johns Hopkins for participation in the trial; schedule a development program; begin the Institutional Review Board process at each hospital; form a steering committee at each site to oversee the trial; conduct site visits by trial personnel; conduct training; and define and establish a quality assurance program. After addressing questions from the Board, Mr. Childers concluded his update. (A copy of the C-PORT Update is attached hereto and made an official part of these Minutes as Attachment # 3).

Mr. Anderson called on Carie Summers, Chief Financial Officer, to discuss the Investment Policy. The policy relates to Other Post Employment Benefits (OPEB). The Governmental Accounting Standards Board (GASB) will require the State Health Benefit Plan (SHBP) to post liabilities for future healthcare benefits for both active and currently retired members. The SHBP will start posting in State Fiscal Year 2007. The liability estimate is based on the number of employees eligible for healthcare benefits in retirement, the healthcare coverage options available to retirees, and the projected growth in medical costs. GASB does not require the state to fund the liabilities. As a result of these GASB requirements, Senate Bill 284 was passed that creates the Georgia Retiree Health Benefit Fund. It provides a mechanism for the state to house funds appropriated for the GASB liability. DCH is responsible for the operation of the fund. It allows DCH to contract with the Division of Investment of the Teachers Retirement System and the Employees' Retirement System for investment services required for the fund. Ms. Summers said an interagency agreement creates a three-way agreement between the Department of Community Health, Division of Investment of the Teachers Retirement System and the Employees' Retirement System (DIS) and the Investment Committee of the Employees' Retirement System (Committee). This allows DIS to invest portions of the Fund on DCH's behalf. Any investments that are done by DIS are based on the ERS or TRS Master Investment Policy. DIS is required to report to DCH and the Committee the composition of the securities invested, earnings on the investment, and other information the Department would need for both audit and accounting purposes. Ms. Summers said the Department is trying to take advantage of the expertise that the Employees Retirement System has in managing large funds for investment purposes; ultimately DCH is responsible for the Fund, but the Department feels the interagency agreement will be a useful tool for management of the Fund. Commissioner Burgess said there are still some minor negotiations that the he and Ms. Summers would like to have with the retirement systems and the Treasurer before the agreement is signed. He asked for the Board's approval to negotiate the arrangement and bring back to the Board at a later date the final version of the Interagency Agreement after the fine points have been settled. Mr. Anderson said the Board was in agreement with the concept and asked the Department to move forward with the Agreement. He and Mr. Mason asked the Commissioner to update the Board prior to final negotiations of the Agreement.

Mr. Anderson asked Carie Summers to review the public notices. Mr. Anderson called for public comment on the Disproportionate Share Hospital (DSH) Payment Public Notice. Mr. Cal Calhoun of the Georgia Hospital Association provided public comment. Ms. Summers said this public notice suspends existing DSH rules on or after October 1, 2005, pending the outcome of the Hospital Advisory Committee's new DSH rules. She said the Hospital Advisory Committee has met once and appointed a Data Subcommittee to begin the process of determining how final DSH payments will be made. Mr. Mason MADE a MOTION to approve the Disproportionate Share Hospital Payments Public Notice. Ms. Gay SECONDED the MOTION. Mr. Anderson called for votes; votes were taken. The MOTION was UNANIMOUSLY APPROVED. (A copy of the Disproportionate Share Hospital Payments Public Notice is attached hereto and made an official part of the Minutes as Attachment # 4).

Mr. Anderson called for public comment on the Upper Payment Limit Payments Public Notice. Ms. Amy Hughes of Memorial Health University Medical Center and Cal Calhoun of the Georgia Hospital Association provided public comment. Ms. Summers said

this public notice creates an Upper Payment Limit program that would make supplemental payments to faculty physician practices affiliated with public teaching hospitals. UPL would be determined based on market rates in the State of Georgia (and approval by CMS). The Department's preliminary estimates assume annual expenditures will increase by \$22.4 million. The Department has identified about 10 practices that meet the criteria and are surveying all public teaching hospitals to make sure that no eligible practice has been omitted in terms of calculating the final UPL amount so the Department can submit to CMS. These payments would be made on or after October 1, 2005. The Department expects the state share to come from either intergovernmental transfers or from state appropriations specifically designated as a source of matching funds for physician UPL payments. Ms. Covington MADE a MOTION to approve the Upper Payment Limit Payments Public Notice. Mr. Mason SECONDED the MOTION. Mr. Anderson called for votes; votes were taken. The MOTION was UNANIMOUSLY APPROVED. (A copy of the Upper Payment Limit Payments Public Notice is attached hereto and made an official part of the Minutes as Attachment # 5).

Ms. Summers reviewed the Mental Retardation Waiver Program (MRWP) and Community Habilitation and Support Services (CHSS) Waiver Program Public Notice. She said the Department received one letter from the DeKalb Services Center in support of this public notice. The public notice relates to a rate increase for the MRWP and CHSS Waiver Program. Both waivers are targeted to Medicaid members with mental retardation or other developmental disabilities. The proposal is for dates of service beginning on and after September 8, 2005 to change rates based on the table attached to the public notice. Mr. Mason MADE a MOTION to approve the Mental Retardation Waiver Program and Community Habilitation and Support Services Waiver Program Public Notice. Ms. Covington SECONDED the MOTION. Mr. Anderson called for votes; votes were taken. The MOTION was UNANIMOUSLY APPROVED. (A copy of the Mental Retardation Waiver Program and Community Habilitation and Support Services Waiver Program Public Notice is attached hereto and made an official part of the Minutes as Attachment # 6).

Mr. Anderson called on John Hammack, Senior Vice President of ACS and Managing Director of the Georgia Health Partnership, to give an ACS Operations update. He gave a history of ACS and its global presence, its achievements, corporate organization and major engagements. Mr. Hammack described the Georgia Health Partnership (GHP). In July 2001 DCH selected ACS to be the third-party administrator for Georgia Medicaid and PeachCare for Kids. In April 1, 2003, the Medicaid Management Information System (MMIS) began operation. In May 2005 the MMIS was certified by the Centers for Medicare and Medicaid Services (CMS). Some of the GHP components are web-based MMIS and claims administration, provider enrollment, prior authorization, medical review, financial services, call center, recipient relations, ID cards, third-party liability, and Medicaid eligibility. Mr. Hammack stated that GHP processes more than 36 million new day Medicaid claims per year and 29 million capitated claims. It pays more than \$5.3 billion annually to more than 49,000 Georgia Medicaid and PeachCare enrolled providers on behalf of more than 1.6 million Medicaid recipients. Mr. Hammack gave statistics on claims adjudication, claims payment accuracy, claims turnaround, system availability, calls received, responses within 72 hours, and number of transactions. He described new and existing provider relations efforts which include the addition of provider field representatives, new provider training sessions, claims resolution rooms, on-demand category of service training, outreach for new providers, and high denial outreach. Mr. Hammack briefly described ACS' contribution to the Department's managed care initiative. After addressing questions from the Board, Mr. Hammack concluded his update. (A copy of the ACS Georgia Health Partnership Report is attached hereto and made an official part of these Minutes as Attachment # 7).

There being no further business to be brought before the Board at the meeting Mr. Anderson adjourned the meeting at 1:35 p.m.

THESE MINUTES ARE HEREBY APPROVED AND ADOPTED THIS THE  
\_\_\_\_\_ DAY OF \_\_\_\_\_, 2005.

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MR. JEFF ANDERSON  
Chairman

ATTEST TO:

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CHRISTOPHER BYRON STROUD, M.D.  
Secretary

Official Attachments:

- #1 List of attendees
- #2 Agenda
- #3 C-PORT Trial Update
- #4 Disproportionate Share Hospital Payments Public Notice
- #5 Upper Payment Limit Payments Public Notice
- #6 Mental Retardation Waiver Program and Community Habilitation  
and Support Services Waiver Program Public Notice
- #7 ACS GHP Report